

The California Health Facilities Financing Authority (CHFFA)

**REQUEST FOR PROPOSAL-Secondary
Notice to Prospective Proposers**

**Financial Analyst Services for
Proposed and Existing Borrowers
RFP #CHFFA 07-11**

March 8, 2012

You are invited to review and respond to this Request for Proposal (RFP), entitled RFP#CHFFA 07-11, for the California Health Facilities Financing Authority (CHFFA). This RFP seeks financial analyst services specifically for the analysis of financial statements from proposed and existing borrowers seeking loans, grants and tax-exempt bonds through the various programs offered by CHFFA for the benefit of qualified healthcare facilities. In submitting your proposal, you must comply with the instructions set forth within this RFP.

Please note that all agreements entered into with the State of California must include by reference General Terms and Conditions and Contractor Certification Clauses that may be viewed and downloaded at Internet site www.ols.dgs.ca.gov/standard+language. If you do not have Internet access, a hard copy will be provided to you by contacting the person listed below.

In the opinion of CHFFA, this RFP is complete and without need of explanation. However, if you have questions, or should you need any clarifying information, the contact person for this RFP is:

Martha Maldonado
Operations Manager
California Health Facilities Financing Authority
(916) 653-2799

Please note that no *verbal* information given will be binding upon the State unless such information is issued in writing as an official addendum.

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A. Purpose and Description of Services

1. Introduction

CHFFA is requesting proposals from accounting/auditing firms with expertise in the financial analysis of tax-exempt health facilities who seek to participate in the various financial programs offered by CHFFA, including tax-exempt bond issuances, grants and low cost, low interest loans. (Hereinafter “Programmatic” or Programs”) The financial analysis firm (firm) will provide financial review, analysis and advice, as well as perform a variety of tasks related to CHFFA program operations on an “as-needed” basis. All proposals submitted to perform these services must explain the experience and qualifications demonstrating the firm’s ability to provide these services. Failure to provide the required information may result in disqualification.

The firm selected must be technically and professionally capable of providing the services in all subject areas described in Section A, Item 2, Scope of Services (pages 1-2) and meet the Minimum Qualifications for Proposers in Section B (pages 2-3). The firm must be free from actual conflicts of interest not only at the time of selection, but also throughout the term of the contract. CHFFA anticipates a July 1, 2012 contract start date and the firm must be available at that time to assume services. CHFFA anticipates entering into a two-year contract with a one-year option to renew for the described services.

See Attachment A for a description of CHFFA and a summary of the bonds issued to date.

2. Scope of Services

The firm selected is expected to assist CHFFA on an “as-needed” basis to perform a wide variety of tasks throughout the proposed contract period. At the direction of CHFFA, timelines will be established upon assignment and materials will be provided to the contractor (via electronically or hard copy). These services may include but are not limited to the following:

- a) Assist CHFFA in reviewing applications for financing to determine eligibility, credit-worthiness and adequacy of documentation. This shall include reviewing and providing a written analysis and recommendation on audited and interim financial statements, debt capacity analyses, financial feasibility studies, and other processes used to determine the financial viability of the proposed project.
- b) Provide consultation with CHFFA staff regarding the financial condition of the proposed financings, including participating in meetings with applicants, auditors and CHFFA staff, as necessary.
- c) Upon request of the Executive Director, attend CHFFA board meetings in Sacramento, California, or alternative locations as designated, and provide oral and written analyses to the Board, regarding the financial condition of the proposed borrowers.
- d) Analyze annual audited or interim financial statements and other financial reports relative to all CHFFA borrowers. Make recommendations for corrective or supplemental action as necessary, and participate with CHFFA staff in presenting or implementing such recommendations.
- e) Review and provide written analyses, on an as-needed basis, of trustee statements provided to CHFFA for all outstanding bond issues. Analysis shall include the performance of detailed audits of trustee held funds and accounts, periodic billings to borrowers, redemption

procedures, and any other functions performed by the trustee with respect to CHFFA bond issues.

- f) Assist in the monitoring of the performance or status of existing borrowers, such as changes in ratings by nationally recognized rating agencies, acquisitions, mergers, expansion projects or any other significant operational changes of interest to CHFFA.
- g) As needed, assist CHFFA with post-issuance tax compliance policy and procedures in connection with tax-exempt bonds or other obligations issued by CHFFA.
- h) Provide guidance on all CHFFA programs, including conduit bond financing, loan programs and grant programs.
- i) Provide annual accounting training to CHFFA staff on the review of financial statements.
- j) Prepare and present special reports, analyses or studies on subjects selected by CHFFA, which fall within the training and experience of the firm; and, prepare and present annual reports of CHFFA bond issues and other programs.
- k) Assist CHFFA staff in their continuing efforts to improve operational efficiency including, without limitation, processes, procedures and computer applications relative to the monitoring of all outstanding bond issues.
- l) In all respects, represent the best interests of CHFFA and the State of California in all transactions and proceedings by strict adherence to the statutory conflict of interest laws of California (as defined in Exhibit D, item #36), as well as prohibiting a partner or employee of the firm, who has provided audit or other services to an entity, from simultaneously serving as a financial analyst to CHFFA in a proceeding in which the entity is the borrower seeking CHFFA's approval for bond issuance, grant or loan.
- m) Be available during regular business hours, either by phone or in person, for consultations with CHFFA staff, which may require travel to the office of CHFFA or other locations as necessary.

3. Term of Agreement

The term of the agreement will be for a two-year period with a one-year option to renew. The effective date of this agreement is either the term start date or the approval date by the Department of General Services, whichever is later. No work shall commence until the effective date.

B) Minimum Qualifications for Proposers

The firm must have, at minimum, the following qualifications and experience. Please provide supporting documentation.

- 1. Firm must have an office established within the State of California.
- 2. Firm must be licensed to do business in the State of California.
- 3. Within the last five years, the firm must have three years of experience of financial advisory services to a state or local health care agency that issues tax-exempt bonds.

4. Within the last five years, the firm must have three years experience in the preparation or review of audited financial statements for non-profit health facilities.
5. Firm must demonstrate the capacity to provide varying levels of service as outlined in Section A, Item 2, Scope of Services (pages 1-2) to CHFFA on a monthly and as-needed basis.
6. Firm must **not** be a firm that provides underwriting or investment banking services.
7. Firm must **not** be a publicly traded corporation, or subsidiary thereof, that is incorporated offshore but the United States is the principal market for the public trading of the corporation's stock.

C) Proposal Requirements and Information

1. Key Action Dates

It is recognized that time is of the essence. All firms are hereby advised of the following schedule and will be expected to adhere to the required dates and times:

<u>Date</u>	<u>Action</u>
March 8, 2012	RFP available to prospective firms.
April 26, 2012	Final Date for Proposal Submission. Proposals must be received at the CHFFA office at 915 Capitol Mall, Room 590, Sacramento, CA 95814 By 4:00 P.M.
May 3, 2012	Evaluation and selection of firm by evaluation committee.
May 4, 2012	Notice of Intent to Award
May 11, 2012	Proposed Award Date
July 1, 2012	Commencement of Contract (pending DGS approval)

2. Firm Experience, Personnel and References

CHFFA expects to have a close working relationship with the firm as evidenced by the nature of the tasks listed in Section A, Item 2, Scope of Services (pages 1-2), and requires the demonstration of a high degree of experience, training and proficiency in the conduct of the various functions performed. The firm should have extensive background in both accounting/auditing of health facilities and the municipal financing process. In addition, CHFFA expects the firm will be up-to-date with current accounting/auditing standards and financing trends and will maintain appropriate expertise at the firm's own expense.

In determining overall qualifications, CHFFA will be considering specifically the firm's demonstrated experience in the following areas:

- Preparation or review of financial statements for non-profit health care providers.
- Provision of financial advisory service to health care facilities with respect to capital financing, with particular emphasis on projects for California health care facilities.

- Experience in a financial advisory capacity, to state or local health care financings, including both public offerings and private placements.
 - Provision of financial advisory service to public entities in general with respect to capital financing and to California public entities in particular.
 - Knowledge of developing state and national health trends.
 - Preparation and presentation of informative reports pertaining to the financing of health care facilities and equipment.
 - Assistance to organizations with internal data collection and management information systems.
- a) Experience as a financial advisor/analyst for tax-exempt healthcare bond issues – Please discuss the firm's overall experience and how it demonstrates the firm's ability to successfully complete Section A, Item 2, Scope of Services (pages 1-2). Experience should include recent services (within the last five years) provided to other conduit issuers of tax-exempt bonds for the benefit of healthcare facilities, as well as services provided directly to such borrowers. Please provide a detailed list of the financial advisor/analytical services you have provided (by client or transaction) within the past five years.
- b) Experience as an accounting/auditing firm in preparing or reviewing audited annual financial statements for non-profit healthcare facilities - Please state for the current year and past two years, the number of non-profit healthcare clients for which the firm has provided accounting/auditing services. Please include only those facilities where services were provided by the firm that will be providing services under this proposed contract.
- c) Experience as a financial advisor/analyst to a state or other governmental issuer of bonds – Please discuss your firm's experience as a financial advisor/analyst to all of the state or local governments for the issuance of bonds. Please indicate if the advisory service provided was transaction specific or for a contracted period.
- d) Qualification of personnel/resumes – Please identify the personnel who will be providing the services required by the proposal, including years and type of experience for each person. Experience should include number of years at current firm as well as all prior service. CHFFA expects the firm to assure that the quality and availability of its personnel assigned to this agreement will be maintained over the term of the agreement. Please include staff of subcontractors (if any).
- e) References – Please submit a list of at least three references (which CHFFA may contact) for which the firm has provided similar financial advisory/analytical services within the past five years.
- f) Other experience - Firms are invited to provide such other experience as may be relevant with any evidence supporting the response.

3. Cost Detail Format and Requirements

Services to CHFFA would be on an as-needed basis, depending upon the volume of bond financing applications received and other requirements of CHFFA. CHFFA reserves the right to cap fees paid on individual transactions.

The blended hourly rate for professional services will be an average of the hourly rate for all professionals expected to provide services under this anticipated contract (Partner, Managing Directors, Associate, etc.), not including support services or for training of staff. The blended

hourly rate will be the hourly rate your firm will be paid for professional services if awarded the contract. Your proposal must identify lead personnel and identify all staff to be covered under “professional service” in the blended hourly rate. It is the responsibility of the firm(s) to determine the blended hourly rate, based upon the expected participation of various professionals with your firm(s).

Please provide the hourly rate for support services, briefly describing the services to be provided. These rates should not be averaged into the professional services blended hourly rate and will be scored separately. The support service rate will be the hourly rate your firm will be paid for support services if awarded the contract.

Point Award Formula

CHFFA anticipates entering into a two-year contract with a one-year option to renew. The blended hourly rate and the support services hourly rate is the rate the firm will be paid for services for the two-year contract and the one-year option to renew.

The following formula will be used for the award of the points for the blended hourly rate and support services:

- Lowest total fee proposal for blended hourly rate for professional services will be awarded the maximum cost points (25 points).
- Lowest total fee proposal for hourly rate for support services will be awarded the maximum cost points (5 points).
- Proposals are awarded points based on the following calculation:

(Lowest bidder’s blended hourly rate proposal/Bidder’s blended hourly rate proposal) = (factor)

Blended hourly rate points for bidder = (factor) X maximum blended hourly rate points

EXAMPLE: A maximum of 25 points is available for blended hourly rate

Lowest Bidder’s Blended Hourly Rate Proposal = \$150/hr

Bidder’s Blended Hourly Rate Proposal = \$200/hr

(Lowest bidder’s blended hourly rate proposal/Bidder’s blended hourly rate proposal) =
 $\$150/\$200 = \frac{3}{4}$

Blended hourly rate points awarded to bidder = $\frac{3}{4} \times 25 = 18.75$ points

- The same formula will be used for the support services hourly rate with a maximum of 5 points available.

The firm must submit cost for services regarding this RFP as follows:

- Blended hourly rate for professional services = \$/hr.
- Hourly rate for support services = \$/hr.

Maximum hours billable for travel to CHFFA may not exceed two hours, unless prior approval is obtained. (Travel, transportation and per diem expenses shall not exceed the rates payable to State employees.) The firm will be compensated for hours expended by providing a detailed monthly invoice to CHFFA.

Authorized actual expenses incurred will be limited to \$50.00 per transaction, including but not limited to, postage, mailing, courier, printing/reproduction costs, etc. unless written prior approval from CHFFA is obtained. Please provide basis of estimate for these costs. (CHFFA will not reimburse the printing of or the copying of electronically received/delivered documents for contractor's in-house use.) Actual expenses must be itemized and receipts must be attached to invoice.

4. Submission of Proposal

- a) Proposals should provide straightforward and concise descriptions of the firm's ability to satisfy the requirements of this RFP. The proposal must be complete and accurate. Omissions, inaccuracies or misstatements may be cause for rejection of a proposal.
- b) The proposal package should be prepared in the least expensive method.
- c) All proposals must be submitted under **sealed** cover and sent to CHFFA by dates and times shown in Section C, Proposal Requirements and Information, Item 1) Key Action Dates, (page 3). Proposals received after this date and time will not be considered.
- d) A minimum of four (4) copies of the proposal must be submitted.
- e) The original proposal must be marked "**ORIGINAL COPY**". All documents contained in the original proposal package must have original signatures and must be signed by a person who is authorized to bind the firm. All additional proposal sets may contain photocopies of the original package.
- f) The proposal envelopes must be plainly marked with the RFP number and title, the firm name and address, and must be marked with "DO NOT OPEN", as shown in the following example:

Martha Maldonado
Operations Manager
California Health Facilities Financing Authority
915 Capitol Mall, Suite 590
Sacramento, CA 95814

Subject – Request for Proposals – "**Financial Analyst Services for
Proposed and Existing Borrowers**"
RFP# CHFFA 07-11

DO NOT OPEN

If the proposal is made under a fictitious name or business title, the actual legal name of firm must be provided. Proposals not submitted under sealed cover and marked as indicated may be rejected.

- g) All proposals shall include the documents identified in Section E, Required Attachment Checklist (see page 11). Proposals not including the proper "required attachments" shall be deemed non-responsive. A non-responsive proposal is one that does not meet the basic proposal requirements.

h) Mail or deliver proposals to the following address:

Martha Maldonado
Operations Manager
California Health Facilities Financing Authority
915 Capitol Mall, Suite 590
Sacramento, CA 95814

- i) Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and will cause a proposal to be rejected.
- j) A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. CHFFA may reject any or all proposals and may waive any immaterial deviation in a proposal. CHFFA's waiver of an immaterial deviation shall in no way modify the RFP document or excuse the proposal from full compliance with all requirements if awarded the agreement.
- k) Costs for developing proposals and in anticipation of award of the agreement is entirely the responsibility of the proposer and shall not be charged to CHFFA or the State of California.
- l) An individual who is authorized to bind the proposing firm contractually shall sign Attachment 2, Proposal/Proposer Certification Sheet. The signature must indicate the title or position that the individual holds in the firm. An unsigned proposal may be rejected.
- m) A firm may modify a proposal after its submission by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline as set forth in the Key Action Dates. Proposal modifications offered in any other manner, oral or written, will not be considered.
- n) A firm may withdraw its proposal by submitting a written withdrawal request to CHFFA, signed by the proposer or an authorized agent in accordance with h) above. A firm may thereafter submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause subsequent to proposal submission deadline.
- o) CHFFA may modify the RFP prior to the date fixed for submission of proposals by the issuance of an addendum to all parties who received a proposal package. All addendums will be posted on the CHFFA website at <http://www.treasurer.ca.gov/chffa>, and on the California State Contract Register (CSCR) website at <http://www.bidsync.com>.
- p) CHFFA reserves the right to reject all proposals. The agency is not required to award an agreement.
- q) Before submitting a response to this solicitation, firms should review, correct all errors and confirm compliance with the RFP requirements.
- r) Where applicable, the firm should carefully examine work sites and specifications. No additions or increases to the agreement amount will be made due to a lack of careful examination of work sites and specifications.

- s) More than one proposal from an individual, firm, partnership, corporation or association under the same or different names, will not be considered.
- t) CHFFA will not accept alternate contract language from the firm. A proposal with such language will be considered a counter proposal and will be rejected. The General Terms and Conditions (GTC) are not negotiable.
- u) No oral understanding or agreement shall be binding on either party.

5. Evaluation Process

- a) At the time of proposal opening, each proposal will be checked for the presence or absence of required information in conformance with the submission requirements of this RFP.
- b) Proposals that contain false or misleading statements, or which provide references, which do not support an attribute or condition claimed by the proposer, may be rejected.
- c) Award, if made, will be to the highest scored responsible proposal.
- d) Proposal Evaluation
The proposals that meet the Minimum Qualifications in Section B, (pages 2-3) and the Proposals Requirements in Section C, Items 1-4, (pages 3-8) will be evaluated and scored according to the criteria indicated below. The selection(s) will be made by an evaluation committee of the Authority on the basis of the following weighted factors. (Maximum points available for each criteria are noted.)
 - (1) Experience as an accounting/auditing firm in preparing or reviewing audited annual financial statements for non-profit healthcare facilities (40 points)
CHFFA will evaluate the firm's overall experience as an accounting/auditing firm in regards to their experience relating to non-profit healthcare.
 - (2) Qualification of Personnel (10 points)
CHFFA will evaluate the individuals to be assigned to the contract on the basis of background and experience in related work.
 - (3) Experience as a financial advisor/financial analyst for tax-exempt healthcare bond issues (10 points)
CHFFA will evaluate the firm on the basis of the firm's overall experience demonstrating their ability to successfully complete the Scope of Services, Section A, Item 2 (pages 1-2), and the firm's experience provided to other conduit issuers of tax-exempt bonds for the benefit of healthcare facilities.
 - (4) Experience as a financial advisor/analyst to a state or other governmental issuer of bonds (10 points)
CHFFA will evaluate the firm's experience as a financial advisor/analyst to other State or local governmental issuers of bonds.

- (5) Cost (30 points)
CHFFA will score the cost proposal based upon Section C, Proposal Requirements and Information, Item 3) Cost Detail Format and Requirements, (pages 4-6).

Maximum Total Possible Points 100 points

6. Award and Protest

- a) Notice of the proposed award(s) shall be posted in a public place in the office of the California Health Facilities Financing Authority, 915 Capitol Mall, Room 590, Sacramento, CA 95814 and on the following Internet site for five (5) working days prior to awarding the agreement(s): <http://www.treasurer.ca.gov/chffa>.
- b) If any firm, prior to the award of agreements, files a protest with CHFFA and the Department of General Services, Office of Legal Services, 707 Third Street, 7th Floor, Suite 7-330, West Sacramento, CA 95605, on the grounds that the (protesting) firm would have been awarded a contract had CHFFA correctly applied the evaluation standard in the RFP, or if CHFFA followed the evaluation and scoring methods in the RFP, the agreement(s) shall not be awarded until either the protest has been withdrawn or the Department of General Services has decided the matter. It is suggested that the firm submit any protest by certified or registered mail.
- c) Within five (5) days after filing the initial protest, the protesting firm shall file with the Department of General Services, Office of Legal Services and CHFFA a detailed statement specifying the grounds for the protest.
- d) Upon resolution of the protest and award of the agreement(s), the firm must complete and submit to the awarding agency the Payee Data Record (STD 204), to determine if the firm is subject to state income tax withholding pursuant to California Revenue and Taxation Code Sections 18662 and 26131. (This form is made part of the RFP as Attachment 5.) No payment shall be made unless a completed STD 204 has been returned to CHFFA.

7. Disposition of Proposals

- a) Upon proposal opening, all documents submitted in response to this RFP will become the property of CHFFA and the State of California, and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public.
- b) Proposal packages may be returned only at the firm's expense, unless such expense is waived by CHFFA.

8. Agreement Execution and Performance

- a) Performance shall start not later than 30 days, or on the express date set by CHFFA and the selected firm, after all approvals have been obtained and the agreement is fully executed. Should the firm fail to commence work at the agreed upon time, CHFFA, upon five (5) days written notice to the firm, reserves the right to terminate the agreement. In addition, the firm shall be liable to CHFFA for the difference between the firm's proposal price and the actual cost of performing work by another contractor.

- b) All performance under the agreement shall be completed on or before the termination date of the agreement.

D) Preference Programs

1. Small Business or Microbusiness Preference–www.pd.dgs.ca.gov/smbus/default.htm

A five percent (5%) preference will be applied to certified small business firms submitting proposals. To obtain the preference, firms must be certified as a small business at the time the bid is submitted. The firm MUST include an updated copy of their Small Business Certificate to obtain the preference. The 5% preference is issued only for computation purposes to arrive at the successful firms and does not alter the amounts of the actual bids. Once each bid has been scored, if the highest responsible firm is not a certified small business or microbusiness, 5% of the highest scoring bid is added to the total “earned” points for each bid submitted by a certified small business. These final numbers, with the 5% included, are then used to determine the highest scoring bid.

Questions regarding the small business certification or preference approval should be directed to the Office of Small Business & DVBE Services (OSDS) at (916) 375-4940 or can be found at the website listed above.

2. Non-Small Business Preference–www.pd.dgs.ca.gov/smbus/default.htm

A five percent (5%) bid preference is available to a non-small business claiming twenty-five percent (25%) California certified small business subcontractor participation. If claiming the non-small business subcontractor preference, the bid response must include a list of the small business(es) with which the firm commits to subcontract in an amount of at least 25% of the net bid price with one or more California certified small businesses. Each listed certified small business must perform a "commercially useful function" in the performance of the contract as defined in Government Code Section 14837(d)(4).

The required list of California certified small business subcontractors must be attached to the bid response and must include the following: 1) subcontractor name, 2) address, 3) phone number, 4) a description of the work to be performed and/or products supplied; and 5) the dollar amount or percentage of the net bid price (as specified in the solicitation) per subcontractor.

Firms claiming the 5% preference must commit to subcontract at least 25% of the net bid price with one or more California certified small businesses. Completed certification applications and required support documents must be submitted to the OSDS no later than 5:00 p.m. on the bid due date, and the OSDS must be able to approve the application as submitted. Questions regarding certification should be directed to the OSDS at (916) 375-4940.

The preference to a non-small business firm that commits to small business or microbusiness subcontractor participation of 25% of its net bid price shall be 5% of the highest responsive, responsible firm’s total score. A non-small business, which qualifies for this preference, may not take an award away from a certified small business

3. California Disabled Veteran Business Enterprise Program Requirements (DVBE) - **Mandatory**

The California Health Facilities Financing Authority (CHFFA) fully supports the DVBE participation Goal Program and encourages the use of DVBEs in all RFP’s and contract opportunities. Proposals responding to this RFP must meet the California Disabled Veterans Business Enterprise (“DVBE”) Program Requirements. Minimum DVBE participation for this RFP is 3%. Proposals that fail to comply with the DBVE requirements will be rejected.

The Department of General Services (DGS) established a DVBE incentive pursuant to Senate Bill 115, Chaptered October 3, 2005 and the military and Veterans Code Section 999.5(a). The regulations apply to all competitive solicitations for public works, services, goods, and information technology goods and services posted or released after October 9, 2007. The DVBE incentive is required in solicitations that include DVBE program requirements and may be offered in other competitive solicitations. Department of General Services' policy implements this program by rewarding prime bidders for increased DVBE participation: The more DVBE participation, the greater the incentive. This new incentive program helps State agencies to meet their annual DVBE participation goals. Attachment 4 outlines the DVBE Incentive Program. To be considered for the DVBE Incentive, the DVBE Incentive Application Request form must be included with bid submittal.

Please review Attachment 4 and follow all instructions carefully.

The DVBE package, required submittal forms, and other related information on the DVBE Program can be found at the Internet website <http://www.pd.dgs.ca.gov/dvbe>.

E) Required Attachments

1. Required Attachment Check List (Attachment 1)

For the proposal to be considered responsive, all required attachments listed on Attachment 1 must be included with the RFP by dates and times shown in Section C, Proposal Requirements and Information, Item 1, Key Action Dates, (page 3).

ATTACHMENT 1

REQUIRED ATTACHMENT CHECK LIST

A complete proposal or proposal package will consist of the items identified below. Complete this checklist to confirm the items in your proposal. Place a check mark or "X" next to each item that you are submitting to the State. For your proposal to be responsive, all required attachments must be returned. This checklist should be returned with your proposal package also.

<u>Attachment</u>	<u>Attachment Name/Description</u>
_____ Attachment 1	Required Attachment Check List
_____ Attachment 2	Proposal/Proposer Certification Sheet
_____ Attachment 3	Proposer References
_____ Attachment 4	<u>California Disabled Veteran Business Enterprise Program (DVBE) Requirements - GSPD 05-105, STD 843</u> Proposal must meet the California Disabled Veterans Business Enterprise ("DVBE") Program Requirements. Please review the attached DVBE Package and follow all instructions carefully. Proposals that fail to comply with the DBVE requirements and meet the minimum of 3% DVBE participation will be rejected. Proposal must include a completed Bidder Declaration GSPD-05-105 and Bidders who have been certified by California as a DVBE, must also submit a completed form(s) STD 843 (Disabled Veteran Business Enterprise Declaration). Additional information on the DVBE Program can be found at the Internet website http://www.pd.dgs.ca.gov/dvbe .
_____ Attachment 5	Payee Data Record (STD 204)
_____ Attachment 6	Contractor's Certification Clauses (CCC-307)
_____ Attachment 7	Small Business or Microbusiness Preference *
_____ Attachment 8	Non-Small Business Preference*
_____ Attachment 9	Certification of Compliance with the Darfur Contracting Act

*If applicable

ATTACHMENT 2

PROPOSAL/PROPOSER CERTIFICATION SHEET

This Proposal/Proposer Certification Sheet must be signed and returned along with all the "required attachments" as an entire package in duplicate with original signatures. The proposal must be transmitted in a sealed envelope in accordance with RFP instructions.

Do not return Section C, Proposal Requirements and Information (pages 1 through 11) nor the "Sample Agreement" at the end of this RFP.

- A. Place all required attachments behind this certification sheet.
- B. I have read and understand the DVBE Participation requirements and have included documentation demonstrating that I have met the participation goals.
- C. The signature affixed hereon and dated certifies compliance with all the requirements of this proposal document. The signature below authorizes the verification of this certification.

An Unsigned Proposal/Proposer Certification Sheet May Be Cause for Rejection

1. Company Name	2. Telephone Number ()	2a. Fax Number ()
3. Address		
Indicate your organization type:		
4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation
Indicate the applicable employee and/or corporation number:		
7. Federal Employee ID No. (FEIN)	8. California Corporation No.	
9. Indicate applicable license and/or certification information:		
10. Proposer's Name (Print)		11. Title
12. Signature		13. Date
14. Are you certified with the Department of General Services, Office of Small Business Certification and Resources (OSBCR) as:		
a. California Small Business Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter certification number: _____		
b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter your service code below: _____		
NOTE: A copy of your Certification is required to be included if either of the above items is checked "Yes". Date application was submitted to OSBCR, if an application is pending: _____		

Completion Instructions for Proposal/Proposer Certification Sheet

Complete the numbered items on the

Proposal/Proposer Certification Sheet by following the instructions below.

Item Numbers	Instructions
1, 2, 2a, 3	Must be completed. These items are self-explanatory.
4	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
6	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7	Enter your federal employee tax identification number.
8	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9	Complete, if applicable, by indicating the type of license and/or certification that your firm possesses and that is required for the type of services being procured.
10, 11, 12, 13	Must be completed. These items are self-explanatory.
14	If certified as a California Small Business, place a check in the "yes" box, and enter your certification number on the line. If certified as a Disabled Veterans Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified to one or both, place a check in the "No" box. If your certification is pending, enter the date your application was submitted to OSBCR.

ATTACHMENT 3

PROPOSER REFERENCES

Submission of this attachment is mandatory. Failure to complete and return this attachment with your proposal will cause your proposal to be rejected and deemed nonresponsive.

List below three references for services performed within the last five years, which are similar to the scope of work to be performed in this contract. If three references cannot be provided, please explain why on an attached sheet of paper.

REFERENCE 1

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 2

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 3

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

**CALIFORNIA DISABLED VETERAN BUSINESS ENTERPRISE (DVBE)
BID INCENTIVE INSTRUCTIONS**
(09/03//09)

Please read the instructions carefully before you begin.

AUTHORITY. The Disabled Veteran Business Enterprise (DVBE) Participation Goal Program for State contracts is established in Public Contract Code (PCC), §10115 et seq., Military and Veterans Code (MVC), §999 et seq., and California Code of Regulations (CCR), Title 2, §1896.60 et seq. **Recent legislation has modified the program significantly in that a bidder may no longer demonstrate compliance with program requirements by performing a “good faith effort” (GFE).**

This solicitation does ~~LOFOXH~~ a minimum DVBE participation percentage or goal.

DVBE BID INCENTIVE. A DVBE incentive will be given to bidders who provide DVBE participation. For evaluation purposes only, the State shall apply a DVBE Bid incentive to bids that propose California certified DVBE participation as identified on the Bidder Declaration, GSPD-05-105, (located elsewhere within the solicitation document) and confirmed by the State. The DVBE incentive amount for awards based on high score will vary in conjunction with the percentage of DVBE participation. Unless a table that replaces the one below has been expressly established elsewhere within the solicitation, the following percentages will apply for awards based on high score.

Confirmed DVBE Participation of:	DVBE Incentive:
5% or Over	5%
4% to 4.99% inclusive	4%
3.1% to 3.99% inclusive	3%

As applicable: (1) Awards based on low score - the net bid price of responsive bids will be reduced (for evaluation purposes only) by the amount of DVBE incentive as applied to the lowest responsive net bid price. If the #1 ranked responsive, responsible bid is a California certified small business, the only bidders eligible for the incentive will be California certified small businesses. The incentive adjustment for awards based on low price cannot exceed 5% or \$100,000, whichever is less, of the #1 ranked net bid price. When used in combination with a preference adjustment, the cumulative adjustment amount cannot exceed \$100,000.

(2) Awards based on highest score - the solicitation shall include an individual requirement that identifies incentive points for DVBE participation. The Incentive is calculated by multiplying the solicitation's total points possible by the level of DVBE participation (%) identified by the responding firm. This amount is then added to the firm's total points to determine if they have the high score. Computation is for evaluation purposes only and cannot be used to achieve any applicable minimum point requirements.

INTRODUCTION. Bidders must document DVBE participation commitment by completing and submitting a Bidder Declaration, GSPD-05-105, (located elsewhere within the solicitation document). Bids or proposals (hereafter called “bids”) that **fail to submit the required form to confirm the level of DVBE participation will not be eligible to receive the DVBE incentive.**

Information submitted by the intended awardee to claim the DVBE incentive(s) will be verified by the State. If evidence of an alleged violation is found during the verification process, the State shall initiate an investigation, in accordance with the requirements of the PCC §10115, et seq., and MVC §999 et seq., and follow the investigatory procedures required by the 2 CCR §1896.80. Contractors found to be in violation of certain provisions may be subject to loss of certification, penalties and/or contract termination.

Only State of California, Office of Small Business and DVBE Services (OSDS), certified DVBEs (hereafter called “DVBE”) who perform a commercially useful function relevant to this solicitation, may be used to qualify for a DVBE incentive(s). The criteria and definition for performing a commercially useful function are contained herein on the page entitled **Resources & Information**. Bidders are to verify each DVBE subcontractor’s certification with OSDS to ensure DVBE eligibility.

At the State’s option prior to award of the contract, a written confirmation from each DVBE subcontractor identified on the Bidder Declaration must be provided. As directed by the State, the written confirmation must be signed by the bidder and/or the DVBE subcontractor(s). The written confirmation may request information that includes but is not limited to the DVBE scope of work, work to be performed by the DVBE, term of intended subcontract with the DVBE, anticipated dates the DVBE will perform required work, rate and conditions of payment, and total amount to be paid to the DVBE. If further verification is necessary, the State will obtain additional information to verify compliance with the above requirements.

THE DVBE BUSINESS UTILIZATION PLAN (BUP): DVBE BUPs are a company’s commitment to expend a minimum of 3% of its total statewide contract dollars with DVBEs -- this percentage is based on all of its contracts held in California, not just those with the State. A DVBE BUP does not qualify a firm for a DVBE incentive. Bidders with a BUP, must submit a Bidders Declaration (GSPD-05-105) to confirm the DVBE participation for an element of work on this solicitation in order to claim a DVBE incentive(s).

THE FOLLOWING MAY BE USED TO LOCATE DVBE SUPPLIERS:

Awarding Department: Contact the department’s contracting official named in this solicitation for any DVBE suppliers who may have identified themselves as potential subcontractors, and to obtain suggestions for search criteria to possibly identify DVBE suppliers for the solicitation. You may also contact the department’s SB/DVBE Advocate for assistance.

Other State and Federal Agencies, and Local Organizations:

STATE: Access the list of all certified DVBEs by using the Department of General Services, Procurement Division (DGS-PD), online certified firm database at www.eprocure.dgs.ca.gov. To begin your search, click on “SB/DVBE Search.” Search by “Keywords” or “United Nations Standard Products and Services Codes (UNSPSC) that apply to the elements of work you want to subcontract to a DVBE. Check for subcontractor ads that may be placed on the California State Contracts Register (CSCR) for this solicitation prior to the closing date. You may access the CSCR at: www.eprocure.dgs.ca.gov. For questions regarding the online certified firm database and the CSCR, please call the OSDS at (916) 375-4940 or send an email to: OSDCHelp@dgs.ca.gov.

FEDERAL: Search the U.S. Small Business Administration’s (SBA) Central Contractor Registration (CCR) on-line database at www.ccr.gov/ to identify potential DVBEs and click on the "Dynamic Small Business Search" button. Search options and information are provided on the CCR Dynamic Small Business Search site. First time users should click on the “help” button for detailed instructions. Remember to verify each firm’s status as a California certified DVBE.

LOCAL: Contact local DVBE organization to identify DVBEs. For a list of local organizations, go to www.pd.dgs.ca.gov/smbus and select: [DVBE Local Contacts](#) (New 02/09) (pdf).

RESOURCES AND INFORMATION

For questions regarding bid documentation requirements, **contact the contracting official at the awarding department for this solicitation.** For a directory of SB/DVBE Advocates for each department go to:

<http://www.pd.dgs.ca.gov/smbus/advocate.htm>.

The Department of General Services, Procurement Division (DGS-PD) publishes a list of trade and focus publications to assist bidders in locating DVBEs for a fee. To obtain this list, please go to www.pd.dgs.ca.gov/smbus and select:

- [DVBE Trade Paper Listing](#) (New 02/09) (pdf)
- [DVBE Focus Paper Listing](#) (New 02/09) (pdf)

U.S. Small Business Administration (SBA):
Use the Central Contractor Registration (CCR) on-line database.
Internet contact only –Database: www.ccr.gov/.

FOR:

Service-Disabled Veteran-owned businesses in California (Remember to verify each DVBE's California certification.)

Local Organizations: Go to www.pd.dgs.ca.gov/smbus and select:
[DVBE Local Contacts](#) (New 02/09) (pdf)

FOR:

List of potential DVBE subcontractors

DGS-PD EProcurement
Website: www.eprocure.dgs.ca.gov
Phone: (916)375-2000
Email: eprocure@dgs.ca.gov

FOR:

- SB/DVBE Search
- CSCR Ads
- Click on Training tab to Access eProcurement Training Modules including: Small Business (SB)/DVBE Search

DGS-PD Office of Small Business and DVBE Services (OSDS)
707 Third Street, Room 1-400, West Sacramento, CA 95605
Website: www.pd.dgs.ca.gov/smbus
OSDS Receptionist, 8 am-5 pm: (916) 375-4940
PD Receptionist, 8 am-5 pm: (800) 559-5529
Fax: (916) 375-4950
Email: osdchelp@dgs.ca.gov

FOR:

- Directory of California-Certified DVBEs
- Certification Applications
- Certification Information
- Certification Status, Concerns
- General DVBE Program Info.
- DVBE Business Utilization Plan
- Small Business/DVBE Advocates

Commercially Useful Function Definition

California Code of Regulations, Title 2, § 1896.61(l):

The term "DVBE contractor, subcontractor or supplier" means any person or entity that satisfies the ownership (or management) and control requirements of §1896.61(f); is certified in accordance with §1896.70; and provides services or goods that contribute to the fulfillment of the contract requirements by performing a commercially useful function.

As defined in MVC §999, a person or an entity is deemed to perform a "commercially useful function" if a person or entity does **all** of the following:

- Is responsible for the execution of a distinct element of the work of the contract.
- Carries out the obligation by actually performing, managing, or supervising the work involved.
- Performs work that is normal for its business services and functions.
- Is not further subcontracting a portion of the work that is greater than that expected to be subcontracted by normal industry practices.

A contractor, subcontractor, or supplier will not be considered to perform a commercially useful function if the contractor's, subcontractor's, or supplier's role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of disabled veteran business enterprise participation.

DISABLED VETERAN BUSINESS ENTERPRISE DECLARATIONS

STD. 843 (Rev. 5/2006)

Instructions: The disabled veteran (DV) owner(s) and DV manager(s) of the Disabled Veteran Business Enterprise (DVBE) must complete this declaration when a DVBE contractor or subcontractor will provide materials, supplies, services or equipment [Military and Veterans Code Section 999.2]. Violations are misdemeanors and punishable by imprisonment or fine and violators are liable for civil penalties. All signatures are made under penalty of perjury.

SECTION 1

Name of certified DVBE:

DVBE Ref. Number:

Description (materials/supplies/services/equipment proposed):

Solicitation/Contract Number:

SCPRS Ref. Number: _____

(FOR STATE USE ONLY)

SECTION 2**APPLIES TO ALL DVBEs. Check only one box in Section 2 and provide original signatures.**

I (we) declare that the DVBE is not a broker or agent, as defined in Military and Veterans Code Section 999.2 (b), of materials, supplies, services or equipment listed above. Also, complete Section 3 below if renting equipment.

Pursuant to Military and Veterans Code Section 999.2 (f), I (we) declare that the DVBE is a broker or agent for the principal(s) listed below or on an attached sheet(s). *(Pursuant to Military and Veterans Code 999.2 (e), State funds expended for equipment rented from equipment brokers pursuant to contracts awarded under this section shall not be credited toward the 3-percent DVBE participation goal.)*

All DV owners and managers of the DVBE (attach additional pages with sufficient signature blocks for each person to sign):

(Printed Name of DV Owner/Manager)

(Signature of DV Owner/ Manager)

(Date Signed)

(Printed Name of DV Owner/Manager)

(Signature of DV Owner/Manager)

(Date Signed)

Firm/Principal for whom the DVBE is acting as a broker or agent:

(If more than one firm, list on extra sheets.)

(Print or Type Name)

Firm/Principal Phone:

Address:

SECTION 3**APPLIES TO ALL DVBEs THAT RENT EQUIPMENT AND DECLARE THE DVBE IS NOT A BROKER.**

Pursuant to Military and Veterans Code Section 999.2 (c), (d) and (g), I am (we are) the DV(s) with at least 51% ownership of the DVBE, or a DV manager(s) of the DVBE. The DVBE maintains certification requirements in accordance with Military and Veterans Code Section 999 et. seq.

The undersigned owner(s) own(s) at least 51% of the quantity and value of each piece of equipment that will be rented for use in the contract identified above. I (we), the DV owners of the equipment, have submitted to the administering agency my (our) personal federal tax return(s) at time of certification and annually thereafter as defined in *Military and Veterans Code 999.2*, subsections (c) and (g). *Failure by the disabled veteran equipment owner(s) to submit their personal federal tax return(s) to the administering agency as defined in Military and Veterans Code 999.2, subsections (c) and (g), will result in the DVBE being deemed an equipment broker.*

Disabled Veteran Owner(s) of the DVBE (attach additional pages with signature blocks for each person to sign):

(Printed Name)

(Signature)

(Date Signed)

(Address of Owner)

(Telephone)

(Tax Identification Number of Owner)

Disabled Veteran Manager(s) of the DVBE (attach additional pages with sufficient signature blocks for each person to sign):

(Printed Name of DV Manager)

(Signature of DV Manager)

(Date Signed)

BIDDER DECLARATION

1. Prime bidder information (Review attached Bidder Declaration Instructions prior to completion of this form):

- a. Identify current California certification(s) (MB, SB, NVSA, DVBE):** _____ **or None** ____ (If "None," go to Item #2)
- b. Will subcontractors be used for this contract? Yes** ____ **No** ____ (If yes, indicate the distinct element of work your firm will perform in this contract e.g., list the proposed products produced by your firm, state if your firm owns the transportation vehicles that will deliver the products to the State, identify which solicited services your firm will perform, etc.). Use additional sheets, as necessary.
- _____
- _____
- c. If you are a California certified DVBE:** (1) Are you a broker or agent? **Yes** ____ **No** ____
(2) If the contract includes equipment rental, does your company own at least 51% of the equipment provided in this contract (quantity and value)? **Yes** ____ **No** ____ **N/A** ____

2. If no subcontractors will be used, skip to certification below. Otherwise, list all subcontractors for this contract. (Attach additional pages if necessary):

Subcontractor Name, Contact Person, Phone Number & Fax Number	Subcontractor Address & Email Address	CA Certification (MB, SB, NVSA, DVBE or None)	Work performed or goods provided for this contract	Corresponding % of bid price	Good Standing?	51% Rental?

CERTIFICATION: By signing the bid response, I certify under penalty of perjury that the information provided is true and correct.

BIDDER DECLARATION Instructions

All prime bidders (the firm submitting the bid) must complete the Bidder Declaration.

1.a. Identify all current certifications issued by the State of California. If the prime bidder has no California certification(s), check the line labeled “None” and proceed to Item #2. If the prime bidder possesses one or more of the following certifications, enter the applicable certification(s) on the line:

- Microbusiness (MB)
- Small Business (SB)
- Nonprofit Veteran Service Agency (NVSA)
- Disabled Veteran Business Enterprise (DVBE)

1.b. Mark either “Yes” or “No” to identify whether subcontractors will be used for the contract. If the response is “No,” proceed to Item #1.c. If “Yes,” enter on the line the distinct element of work contained in the contract to be performed or the goods to be provided by the prime bidder. Do not include goods or services to be provided by subcontractors.

Bidders certified as MB, SB, NVSA, and/or DVBE must provide a commercially useful function as defined in Military and Veterans Code Section 999 for DVBEs and Government Code Section 14837(d)(4)(A) for small/microbusinesses.

Bids must propose that certified bidders provide a commercially useful function for the resulting contract or the bid will be deemed non-responsive and rejected by the State. For questions regarding the solicitation, contact the procurement official identified in the solicitation.

Note: A subcontractor is any person, firm, corporation, or organization contracting to perform part of the prime’s contract.

1.c. This item is only to be completed by businesses certified by California as a DVBE.

(1) Declare whether the prime bidder is a broker or agent by marking either “Yes” or “No.” The Military and Veterans Code Section 999.2 (b) defines “broker” or “agent” as a certified DVBE contractor or subcontractor that does not have title, possession, control, and risk of loss of materials, supplies, services, or equipment provided to an awarding department, unless one or more of the disabled veteran owners has at least 51-percent ownership of the quantity and value of the materials, supplies, services, and of each piece of equipment provided under the contract.

(2) If bidding rental equipment, mark either “Yes” or “No” to identify if the prime bidder owns at least 51% of the equipment provided (quantity and value). If **not** bidding rental equipment, mark “N/A” for “not applicable.”

2. If no subcontractors are proposed, do not complete the table. Read the certification at the bottom of the form and complete “Page ____ of ____” on the form.

If subcontractors will be used, complete the table listing all subcontractors. If necessary, attach additional pages and complete the “Page ____ of ____” accordingly.

2. (continued) Column Labels

Subcontractor Name, Contact Person, Phone Number & Fax Number—List each element for all subcontractors.

Subcontractor Address & Email Address—Enter the address and if available, an Email address.

CA Certification (MB, SB, NVSA, DVBE or None)—If the subcontractor possesses a current State of California certification(s), verify on this website (www.eprocure.pd.dgs.ca.gov).

Work performed or goods provided for this contract—Identify the distinct element of work contained in the contract to be performed or the goods to be provided by each subcontractor. Certified subcontractors must provide a commercially useful function for the contract. (See paragraph 1.b above for code citations regarding the definition of commercially useful function.) If a certified subcontractor is further subcontracting a greater portion of the work or goods provided for the resulting contract than would be expected by normal industry practices, attach a separate sheet of paper explaining the situation.

Corresponding % of bid price—Enter the corresponding percentage of the total bid price for the goods and/or services to be provided by each subcontractor. Do not enter a dollar amount.

Good Standing?—Provide a response for each subcontractor listed. Enter either “Yes” or “No” to indicate that the prime bidder has verified that the subcontractor(s) is in good standing for all of the following:

- Possesses valid license(s) for any license(s) or permits required by the solicitation or by law
- If a corporation, the company is qualified to do business in California and designated by the State of California Secretary of State to be in good standing
- Possesses valid State of California certification(s) if claiming MB, SB, NVSA, and/or DVBE status

51% Rental?—This pertains to the applicability of rental equipment. Based on the following parameters, enter either “N/A” (not applicable), “Yes” or “No” for each subcontractor listed.

Enter “N/A” if the:

- Subcontractor is NOT a DVBE (regardless of whether or not rental equipment is provided by the subcontractor) or
- Subcontractor is NOT providing rental equipment (regardless of whether or not subcontractor is a DVBE)

Enter “Yes” if the subcontractor is a California certified DVBE providing rental equipment and the subcontractor owns at least 51% of the rental equipment (quantity and value) it will be providing for the contract.

Enter “No” if the subcontractor is a California certified DVBE providing rental equipment but the subcontractor does NOT own at least 51% of the rental equipment (quantity and value) it will be providing.

Read the certification at the bottom of the page and complete the “Page ____ of ____” accordingly.

(Required when receiving payment from the State of California in lieu of IRS W-9)
STD. 204 (Rev. 6-2003)

<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; line-height: 30px;">1</div>	INSTRUCTIONS: Complete all information on this form. Sign, date, and return to the State agency (department/office) address shown at the bottom of this page. Prompt return of this fully completed form will prevent delays when processing payments. Information provided in this form will be used by State agencies to prepare Information Returns (1099). See reverse side for more information and Privacy Statement. NOTE: Governmental entities, federal, State, and local (including school districts), are not required to submit this form.								
<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; line-height: 30px;">2</div>	PAYEE'S LEGAL BUSINESS NAME (Type or Print) <table border="1" style="width: 100%;"><tr><td style="width: 60%;">SOLE PROPRIETOR – ENTER NAME AS SHOWN ON SSN (Last, First, M.I.)</td><td>E-MAIL ADDRESS</td></tr><tr><td>MAILING ADDRESS</td><td>BUSINESS ADDRESS</td></tr><tr><td>CITY, STATE, ZIP CODE</td><td>CITY, STATE, ZIP CODE</td></tr></table>			SOLE PROPRIETOR – ENTER NAME AS SHOWN ON SSN (Last, First, M.I.)	E-MAIL ADDRESS	MAILING ADDRESS	BUSINESS ADDRESS	CITY, STATE, ZIP CODE	CITY, STATE, ZIP CODE
SOLE PROPRIETOR – ENTER NAME AS SHOWN ON SSN (Last, First, M.I.)	E-MAIL ADDRESS								
MAILING ADDRESS	BUSINESS ADDRESS								
CITY, STATE, ZIP CODE	CITY, STATE, ZIP CODE								
<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; line-height: 30px;">3</div> <div style="margin-top: 10px;">PAYEE ENTITY TYPE CHECK ONE BOX ONLY</div>	ENTER FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN): <div style="border-bottom: 1px solid black; width: 150px;"></div> <table style="width: 100%;"><tr><td style="width: 50%; vertical-align: top;"><input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> ESTATE OR TRUST <input type="checkbox"/> INDIVIDUAL OR SOLE PROPRIETOR ENTER SOCIAL SECURITY NUMBER: <div style="border-bottom: 1px solid black; width: 150px;"></div></td><td style="width: 50%; vertical-align: top;">CORPORATION: <input type="checkbox"/> MEDICAL (e.g., dentistry, psychotherapy, chiropractic, etc.) <input type="checkbox"/> LEGAL (e.g., attorney services) <input type="checkbox"/> EXEMPT (nonprofit) <input type="checkbox"/> ALL OTHERS <div style="border-bottom: 1px solid black; width: 150px;"></div> (SSN required by authority of California Revenue and Tax Code Section 18646)</td></tr></table>		<input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> ESTATE OR TRUST <input type="checkbox"/> INDIVIDUAL OR SOLE PROPRIETOR ENTER SOCIAL SECURITY NUMBER: <div style="border-bottom: 1px solid black; width: 150px;"></div>	CORPORATION: <input type="checkbox"/> MEDICAL (e.g., dentistry, psychotherapy, chiropractic, etc.) <input type="checkbox"/> LEGAL (e.g., attorney services) <input type="checkbox"/> EXEMPT (nonprofit) <input type="checkbox"/> ALL OTHERS <div style="border-bottom: 1px solid black; width: 150px;"></div> (SSN required by authority of California Revenue and Tax Code Section 18646)	NOTE: Payment will not be processed without an accompanying taxpayer I.D. number.				
<input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> ESTATE OR TRUST <input type="checkbox"/> INDIVIDUAL OR SOLE PROPRIETOR ENTER SOCIAL SECURITY NUMBER: <div style="border-bottom: 1px solid black; width: 150px;"></div>	CORPORATION: <input type="checkbox"/> MEDICAL (e.g., dentistry, psychotherapy, chiropractic, etc.) <input type="checkbox"/> LEGAL (e.g., attorney services) <input type="checkbox"/> EXEMPT (nonprofit) <input type="checkbox"/> ALL OTHERS <div style="border-bottom: 1px solid black; width: 150px;"></div> (SSN required by authority of California Revenue and Tax Code Section 18646)								
<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; line-height: 30px;">4</div> <div style="margin-top: 10px;">PAYEE RESIDENCY STATUS</div>	<input type="checkbox"/> California resident - Qualified to do business in California or maintains a permanent place of business in California. <input type="checkbox"/> California nonresident (see reverse side) - Payments to nonresidents for services may be subject to State income tax withholding. <input type="checkbox"/> No services performed in California. <input type="checkbox"/> Copy of Franchise Tax Board waiver of State withholding attached.								
<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; line-height: 30px;">5</div>	I hereby certify under penalty of perjury that the information provided on this document is true and correct. Should my residency status change, I will promptly notify the State agency below. <table border="1" style="width: 100%;"><tr><td style="width: 70%;">AUTHORIZED PAYEE REPRESENTATIVE'S NAME (Type or Print)</td><td>TITLE</td></tr><tr><td>SIGNATURE</td><td>DATE</td><td>TELEPHONE () </td></tr></table>			AUTHORIZED PAYEE REPRESENTATIVE'S NAME (Type or Print)	TITLE	SIGNATURE	DATE	TELEPHONE ()	
AUTHORIZED PAYEE REPRESENTATIVE'S NAME (Type or Print)	TITLE								
SIGNATURE	DATE	TELEPHONE ()							
<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; line-height: 30px;">6</div>	Please return completed form to: Department/Office: _____ Unit/Section: _____ Mailing Address: _____ City/State/Zip: _____ Telephone: (____) _____ Fax: (____) _____ E-mail Address: _____								

PAYEE DATA RECORD

STD. 204 (Rev. 6-2003) (REVERSE)

1	<p><u>Requirement to Complete Payee Data Record, STD. 204</u></p> <p>A completed Payee Data Record, STD. 204, is required for payments to all non-governmental entities and will be kept on file at each State agency. Since each State agency with which you do business must have a separate STD. 204 on file, it is possible for a payee to receive this form from various State agencies.</p> <p>Payees who do not wish to complete the STD. 204 may elect to not do business with the State. If the payee does not complete the STD. 204 and the required payee data is not otherwise provided, payment may be reduced for federal backup withholding and nonresident State income tax withholding. Amounts reported on Information Returns (1099) are in accordance with the Internal Revenue Code and the California Revenue and Taxation Code.</p>
2	<p>Enter the payee's legal business name. Sole proprietorships must also include the owner's full name. An individual must list his/her full name. The mailing address should be the address at which the payee chooses to receive correspondence. Do not enter payment address or lock box information here.</p>
3	<p>Check the box that corresponds to the payee business type. Check only one box. Corporations must check the box that identifies the type of corporation. The State of California requires that all parties entering into business transactions that may lead to payment(s) from the State provide their Taxpayer Identification Number (TIN). The TIN is required by the California Revenue and Taxation Code Section 18646 to facilitate tax compliance enforcement activities and the preparation of Form 1099 and other information returns as required by the Internal Revenue Code Section 6109(a).</p> <p>The TIN for individuals and sole proprietorships is the Social Security Number (SSN). Only partnerships, estates, trusts, and corporations will enter their Federal Employer Identification Number (FEIN).</p>
4	<p><u>Are you a California resident or nonresident?</u></p> <p>A corporation will be defined as a "resident" if it has a permanent place of business in California or is qualified through the Secretary of State to do business in California.</p> <p>A partnership is considered a resident partnership if it has a permanent place of business in California. An estate is a resident if the decedent was a California resident at time of death. A trust is a resident if at least one trustee is a California resident.</p> <p>For individuals and sole proprietors, the term "resident" includes every individual who is in California for other than a temporary or transitory purpose and any individual domiciled in California who is absent for a temporary or transitory purpose. Generally, an individual who comes to California for a purpose that will extend over a long or indefinite period will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a nonresident.</p> <p>Payments to all nonresidents may be subject to withholding. Nonresident payees performing services in California or receiving rent, lease, or royalty payments from property (real or personal) located in California will have 7% of their total payments withheld for State income taxes. However, no withholding is required if total payments to the payee are \$1,500 or less for the calendar year.</p> <p>For information on Nonresident Withholding, contact the Franchise Tax Board at the numbers listed below: Withholding Services and Compliance Section: 1-888-792-4900 E-mail address: wscs.gen@ftb.ca.gov For hearing impaired with TDD, call: 1-800-822-6268 Website: www.ftb.ca.gov</p>
5	<p>Provide the name, title, signature, and telephone number of the individual completing this form. Provide the date the form was completed.</p>
6	<p>This section must be completed by the State agency requesting the STD. 204.</p>
	<p><u>Privacy Statement</u></p> <p>Section 7(b) of the Privacy Act of 1974 (Public Law 93-579) requires that any federal, State, or local governmental agency, which requests an individual to disclose their social security account number, shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it.</p> <p>It is mandatory to furnish the information requested. Federal law requires that payment for which the requested information is not provided is subject to federal backup withholding and State law imposes noncompliance penalties of up to \$20,000.</p> <p>You have the right to access records containing your personal information, such as your SSN. To exercise that right, please contact the business services unit or the accounts payable unit of the State agency(ies) with which you transact that business.</p> <p>All questions should be referred to the requesting State agency listed on the bottom front of this form.</p>

CCC-307

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County of</i>	

CONTRACTOR CERTIFICATION CLAUSES

1. **STATEMENT OF COMPLIANCE:** Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)
2. **DRUG-FREE WORKPLACE REQUIREMENTS:** Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:
 - a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
 - b. Establish a Drug-Free Awareness Program to inform employees about:
 - 1) the dangers of drug abuse in the workplace;
 - 2) the person's or organization's policy of maintaining a drug-free workplace;
 - 3) any available counseling, rehabilitation and employee assistance programs; and,
 - 4) penalties that may be imposed upon employees for drug abuse violations.
 - c. Every employee who works on the proposed Agreement will:
 - 1) receive a copy of the company's drug-free workplace policy statement; and,
 - 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

- a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.
- b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts over \$100,000 executed or amended after January 1, 2007, the contractor certifies that contractor is in compliance with Public Contract Code section 10295.3.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)
3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)
4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change

the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:
 - a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.
 - b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.
 - c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.
6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.
7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.
8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

ATTACHMENT 7 & 8

CHFFA 07-11

Attach Proof if Claiming Small Business Preference

Small Business or Microbusiness Preference
www.pd.dgs.ca.gov/smbus/default.htm

Non-Small Business Preference*
www.pd.dgs.ca.gov/smbus/default.htm*

ATTACHMENT 9
DARFUR CONTRACTING ACT
CHFFA 07-11

Pursuant to Public Contract Code section 10478, if a bidder or proposer currently or within the previous three years has had business activities or other operations outside of the United States, it must certify that it is not a “scrutinized” company as defined in Public Contract Code section 10476.

Therefore, to be eligible to submit a bid or proposal, please insert your company name and Federal ID Number and complete only one of the following three paragraphs (via initials for Paragraph # 1 or Paragraph # 2, or via initials and certification for Paragraph # 3):

<i>Company/Vendor Name (Printed)</i>	<i>Federal ID Number</i>
<i>Printed Name and Title of Person Initialing (for Options 1 or 2)</i>	

- | | | |
|-----------|---|---|
| 1. | <u> </u>
Initials | We do not currently have, and have not had within the previous three years, business activities or other operations outside of the United States. |
| OR | | |
| 2. | <u> </u>
Initials | We are a scrutinized company as defined in Public Contract Code section 10476, but we have received written permission from the Department of General Services (DGS) to submit a bid or proposal pursuant to Public Contract Code section 10477(b). A copy of the written permission from DGS is included with our bid or proposal. |
| OR | | |
| 3. | <u> </u>
Initials
+ certification
below | We currently have, or we have had within the previous three years, business activities or other operations outside of the United States, but we certify below that we are not a scrutinized company as defined in Public Contract Code section 10476. |

CERTIFICATION For # 3.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective proposer/bidder to the clause listed above in # 3. This certification is made under the laws of the State of California.

<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	
<i>Date Executed</i>	<i>Executed in the County and State of</i>

STATE OF CALIFORNIA
STANDARD AGREEMENT
 STD 213 (Rev 06/03)

AGREEMENT NUMBER

CHFFA 07-11

REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

California Health Facilities Financing Authority (CHFFA)

CONTRACTOR'S NAME

To Be Determined

2. The term of this Agreement is: through

3. The maximum amount \$ of this Agreement is:

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Scope of Work 2 page(s)

Exhibit B – Budget Detail and Payment Provisions 2 page(s)

Exhibit C – General Terms and Conditions * GTC-610

Check mark one item below as Exhibit D:

☒

Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement)

7 page(s)

☐

Exhibit - D* Special Terms and Conditions

Attachment 1 – Key Personnel

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.
 These documents can be viewed at www.ols.dgs.ca.gov/Standard+Language

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

To Be Determined

BY (Authorized Signature)



DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

STATE OF CALIFORNIA

AGENCY NAME

California Health Facilities Financing Authority (CHFFA)

BY (Authorized Signature)



DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Barbara J. Liebert, Executive Director

ADDRESS

915 Capitol Mall, Suite 590, Sacramento, CA 95814

**California Department of General
Services Use Only**

☐ Exempt per:

EXHIBIT A
(Standard Agreement)

SCOPE OF WORK

1. Scope of Services

The firm selected is expected to assist CHFFA on an “as-needed” basis to perform a wide variety of tasks throughout the proposed contract period. At the direction of CHFFA, timelines will be established upon assignment and materials will be provided to the contractor (via electronically or hard copy). These services may include but are not limited to the following:

- a) Assist CHFFA in reviewing applications for financing to determine eligibility, credit-worthiness and adequacy of documentation. This shall include reviewing and providing a written analysis and recommendation on audited and interim financial statements, debt capacity analyses, financial feasibility studies, and other processes used to determine the financial viability of the proposed project.
- b) Provide consultation with CHFFA staff regarding the financial condition of the proposed financings, including participating in meetings with applicants, auditors and CHFFA staff, as necessary.
- c) Upon request of the Executive Director, attend CHFFA board meetings in Sacramento, California, or alternative locations as designated, and provide oral and written analyses to the Board, regarding the financial condition of the proposed borrowers.
- d) Analyze annual audited or interim financial statements and other financial reports relative to all CHFFA borrowers. Make recommendations for corrective or supplemental action as necessary, and participate with CHFFA staff in presenting or implementing such recommendations.
- e) Review and provide written analyses, on an as-needed basis, of trustee statements provided to CHFFA for all outstanding bond issues. Analysis shall include the performance of detailed audits of trustee held funds and accounts, periodic billings to borrowers, redemption procedures, and any other functions performed by the trustee with respect to CHFFA bond issues.
- f) Assist in the monitoring of the performance or status of existing borrowers, such as changes in ratings by nationally recognized rating agencies, acquisitions, mergers, expansion projects or any other significant operational changes of interest to CHFFA.
- g) As needed, assist CHFFA with post-issuance tax compliance policy and procedures in connection with tax-exempt bonds or other obligations issued by CHFFA.
- h) Provide guidance on all CHFFA programs, including conduit bond financing, loan programs and grant programs.
- i) Provide annual accounting training to CHFFA staff on the review of financial statements.

EXHIBIT A
(Standard Agreement)

- j) Prepare and present special reports, analyses or studies on subjects selected by CHFFA, which fall within the training and experience of the firm; and, prepare and present annual reports of CHFFA bond issues and other programs.
- k) Assist CHFFA staff in their continuing efforts to improve operational efficiency including, without limitation, processes, procedures and computer applications relative to the monitoring of all outstanding bond issues.
- l) In all respects, represent the best interests of CHFFA and the State of California in all transactions and proceedings by strict adherence to the statutory conflict of interest laws of California (as defined in Exhibit D, item #36), as well as prohibiting a partner or employee of the firm, who has provided audit or other services to an entity, from simultaneously serving as a financial analyst to CHFFA in a proceeding in which the entity is the borrower seeking CHFFA's approval for bond issuance, grant or loan.
- m) Be available during regular business hours, either by phone or in person, for consultations with CHFFA staff, which may require travel to the office of CHFFA or other locations as necessary.

2. The project representatives during the term of this agreement will be:

State Agency: California Health Facilities Financing Authority (CHFFA)	Contractor: To Be Determined
Name: Ms. Rosalind Brewer Deputy Executive Director	Name: To Be Determined
Phone: (916) 653 – 2799	Phone:
Fax: (916) 654 - 5362	Fax:

Direct all inquiries to:

State Agency: California Health Facilities Financing Authority (CHFFA)	Contractor: To Be Determined
Attention: Ms. Rosalind Brewer	Attention: To Be Determined
Address: 915 Capitol Mall, Suite 590 Sacramento, CA 95814	Address:
Phone: (916) 653 – 2799	Phone:
Fax: (916) 654 - 5362	Fax:

EXHIBIT B
(Standard Agreement)

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

A. Firm shall be compensated at the following hourly rates:

- Blended hourly rate for professional services = \$/hr.
- Hourly rate for support services = \$/hr.

Maximum hours billable for travel to CHFFA may not exceed two hours, unless written prior approval from CHFFA is obtained. (Travel, transportation and per diem expenses shall not exceed the rates payable to State employees.) The firm will be compensated for hours expended by providing a detailed monthly invoice to CHFFA.

Authorized actual expenses incurred will be limited to \$50.00 per transaction, including but not limited to, postage, mailing, courier, printing/reproduction costs, etc. unless written prior approval from CHFFA is obtained. Please provide basis of estimate for these costs. (CHFFA will not reimburse the printing of or the copying of electronically received/delivered documents for contractor's in-house use) Actual expenses must be itemized and receipts must be attached to invoice.

B. The blended hourly rate and the support services hourly rate is the rate the firm will be paid for services for the two-year contract and the one-year option to renew.

C. Invoices must be provided to CHFFA and must include:

- The time period covered by the invoice;
- A detailed description of each of the services completed for the period;
- A detailed description of any approved travel costs,
- A detailed description of any approved miscellaneous expenses for which Contractor seeks payment. Receipts must be attached to invoice.
- Breakout of fee paid to DVBE Subcontractor.

D. Invoices shall include the Agreement Number and shall be submitted in triplicate not more frequently than monthly in arrears to:

CHFFA
915 Capitol Mall, Suite 590
Sacramento, CA 95814

2. Budget Contingency Clause

A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program; this Agreement shall

EXHIBIT B
(Standard Agreement)

be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.

- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. **Prompt Payment Clause**

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

EXHIBIT C
(Standard Agreement)

GENERAL TERMS AND CONDITIONS – GTC 610

PLEASE NOTE: This page will not be included with the final agreement. The General Terms and Conditions will be included in the agreement by reference to Internet site:
<http://www.ols.dgs.ca.gov/standard+language>.

EXHIBIT D
(Standard Agreement)

SPECIAL TERMS AND CONDITIONS

1. Excise Tax

The State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another state.

2. Settlement of Disputes

In the event of a dispute, Contractor shall file a "Notice of Dispute" with a Deputy Treasurer of the State Treasurer's Office within ten (10) days of discovery of the problem. Within ten (10) days, the Deputy Treasurer shall meet with the representatives of Contractor and the California Health Facilities Financing Authority (CHFFA) identified in Paragraph 2 of Exhibit A for purposes of resolving the dispute. The decision of the Deputy Treasurer shall be final.

In the event of a dispute, the language contained within this Agreement shall prevail over any other language including that of any bid proposal.

3. Evaluation of Contractor

Within sixty (60) days after the completion of this Agreement, CHFFA shall complete a written evaluation of Contractor's performance under this Agreement. If this Agreement is a contract for consultant services and if Contractor did not satisfactorily perform the work, a copy of the evaluation will be sent to the Department of General Services, Office of Legal Services, and to the Contractor within fifteen (15) working days of the completion of the evaluation.

4. No Agency Liability

The Contractor warrants by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, CHFFA shall, in addition to other remedies provided by law, have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

5. Potential Subcontractors

Nothing contained in this Agreement or otherwise, shall create any contractual relation between CHFFA and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to CHFFA for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the obligation of CHFFA to make payments to the Contractor. As a result, CHFFA shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

6. Force Majeure

Neither party to this Agreement shall be liable for damages resulting from delayed or defective performance when such delays arise out of causes beyond the control and without the fault or negligence of the offending party. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the State in its

EXHIBIT D
(Standard Agreement)

sovereign capacity, fires, floods, power failure, disabling strikes, epidemics, quarantine restrictions, and freight embargoes.

7. Waivers

No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right, power or privilege hereunder, nor any single or partial exercise of any right, power or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

8. Incorporation of Amendments to Applicable Laws

Any references to sections of federal or state statutes or regulations shall be deemed to include a reference to any amendments thereof and any successor provisions thereto.

9. Confidentiality

All financial, statistical, personal, technical and other data and information relating to the operations of CHFFA which are designated confidential CHFFA and become available to Contractor shall be protected by Contractor from unauthorized use and disclosure.

10. Attorney's Fees and Costs

In the event of any litigation between the parties to enforce or interpret the provisions of this Agreement, the non-prevailing party shall, unless both parties agree to the contrary, pay the expenses arising from such litigation, including reasonable attorney's fees, allocated costs for services of in-house counsel, and court costs, of the prevailing party. These expenses shall be in addition to any other relief to which the prevailing party may be entitled.

11. Titles/Section Headings

Titles and headings are not part of this Agreement; instead they are for convenience of reference only, and shall have no effect on the construction or legal effect of this Agreement.

12. Choice of Law

Notwithstanding Paragraph 14 of Exhibit C (General Terms and Conditions), this Agreement shall be administered, construed, and enforced according to the laws of the State of California (without regard to any conflict of laws provisions) to the extent such laws have not been preempted by applicable federal law. Any suit brought hereunder (including any action to compel arbitration or to enforce any award or judgment rendered thereby) shall be brought in state court sitting in Sacramento, California, the parties hereby waiving any claim or defense that such forum is not convenient or proper. Each party agrees that any such court shall have in personam jurisdiction over it and consents to service of process in any manner authorized by California law.

13. Notices

The parties agree that to avoid unreasonable delay in the progress of the services performed hereunder, Contractor and CHFFA have designated in Paragraph 2 of Exhibit A specific staff representatives for the purpose of communication between the parties. Any notice or other written communication required or which may be given hereunder shall be deemed given when delivered personally, or if mailed, three (3) days after the date of mailing, unless by express mail, telecopy or telegraph, then upon the date of confirmed receipt, to the representatives named in Paragraph 2 of Exhibit A.

EXHIBIT D
(Standard Agreement)

Either party hereto may, from time to time by notice in writing served upon the other as aforesaid, designate a different mailing address or a different or additional person to which all such notices or demands thereafter are to be addressed.

14. Permits and Licenses

Contractor shall carry out its duties and responsibilities herein in accordance with, be limited in the exercise of its rights by, and observe and comply with, all federal, state, city and county laws, rules or regulations affecting services under this Agreement. Contractor shall procure and keep in full force and effect during the term of this Agreement all permits and licenses necessary to accomplish the work contemplated in this Agreement.

15. Additional Documents

Contractor and CHFFA agree to execute such additional documents, and perform such further acts, as may be reasonable and necessary to carry out the provisions of this Agreement.

16. Disabled Veteran Business Participation

1. Contractor agrees that as contractor of CHFFA, it will meet the requirements of CHFFA policies that embrace section 10115 et seq. of the Public Contract Code regarding 3% Disabled Veteran Business Enterprise (DVBE) participation goal for state contracts. DVBE is referred to hereafter as a "Targeted Business Enterprise."
2. Nothing shall be construed to authorize contractor to discriminate in the solicitation or acceptance of bids for subcontracting, or for materials or equipment, on the basis of race, color, sex, ethnic origin or ancestry.
3. Contractor agrees to provide CHFFA or its delegate with any information reasonably necessary to comply with the obligations set forth in the applicable provisions of Public Contract Code section 10115, et seq. Upon reasonable notice, Contractor shall permit CHFFA or its delegate access to Contractor's premises during normal business hours to interview employees and to inspect and copy books, records, accounts, and other materials for the purpose of determining compliance with the applicable provisions of Public Contract Code section 10115 et seq. and California Code of Regulations, title 2, section 1896.60 et seq. Contractor further agrees to maintain such records for period of (3) years after final payment under this Agreement. Contractor further agrees to make this paragraph applicable to all subcontracts entered hereunder.

17. Key Personnel

- a. A resume for each member of Contractor's staff who will exercise a significant administrative, policy, or consulting role under this Agreement is attached to this Agreement as Attachment 1 – Key Personnel. These members of Contractor's staff shall be hereafter referred to (both individually and collectively) as "Key Personnel."
- b. Contractor shall not substitute, replace or reassign Key Personnel without the prior approval of CHFFA and an amendment to this Agreement.
- c. This Agreement may be terminated immediately, in the sole discretion of CHFFA and upon written notice from CHFFA to Contractor, because of any change in or departure of any of the Key Personnel.

18. Changes in Control, Organization Key Personnel

Contractor shall promptly, and in any case within five (5) calendar days, notify CHFFA in writing: (i) if any of Contractor's representations and warranties, as set forth in this Agreement, cease to be true at any time during the term of this Agreement; (ii) of any change in Contractor's staff who exercises a significant administrative, policy,

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or consulting role under this Agreement, including without limitation the Key Personnel; (iii) of any change in the majority ownership, control, or business structure of Contractor; or (iv) of any other material change in Contractor's business, partnership or corporate organization. All written notices from Contractor under this provision shall contain sufficient information to permit CHFFA to evaluate the changes within Contractor's staff or organization under the same criteria as was used by CHFFA in its award of this Agreement to Contractor. Contractor agrees to provide CHFFA with such additional information as requested by CHFFA.

19. Insurance Requirements

Contractor warrants that it carries adequate liability, worker's compensation and other necessary insurance and shall maintain such insurance at levels acceptable to CHFFA in full force and effect during the term of this Agreement. Contractor agrees to furnish satisfactory evidence of this insurance coverage to CHFFA upon request.

20. Subcontractors

- a. Contractor shall perform the work contemplated by this Agreement with resources available within its own organization except for subcontracted work identified in this Agreement or other attachment incorporated hereto. No other portion of the work pertinent to this Agreement shall be subcontracted without written authorization by CHFFA. The subcontractor must be mutually agreed upon in advance by both parties.
- b. Contractor shall require that any subcontractor agree to be bound by all provisions of this Agreement, as applicable.

21. Notice of Proceedings

Contractor shall promptly notify CHFFA in writing of any investigation, examination or other proceeding involving Contractor or any Key Personnel commenced by any regulatory agency, which proceeding is not conducted in the ordinary course of Contractor's business.

22. Cumulative Remedies

The rights and remedies provided herein are cumulative and are not exclusive of any rights or remedies that any party may otherwise have at law or in equity.

23. Binding Effect

This Agreement, any instrument or agreement executed pursuant to this Agreement, and the rights, covenants, conditions and obligations of Contractor and CHFFA contained therein, shall be binding upon the parties and their successors, assigns and legal representatives.

24. Publicity

No publicity release or announcement concerning this Agreement or the transactions contemplated herein shall be issued by Contractor without advance written approval by CHFFA.

25. Services or Procurement Resulting from Agreement

Neither Contractor, nor any of its subsidiaries, officers or directors, may submit a bid or be awarded a contract for the provision of services, procurement of goods or supplies, or any other related action which is required, suggested, or otherwise deemed to be an outgrowth of the advice or recommendations that Contractor provides under this Agreement.

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26. Agreement Does Not Violate Law

Contractor represents and warrants that neither the execution of this Agreement nor the acts contemplated hereby nor compliance by Contractor with any provisions hereof will:

- a. Violate any provision of the charter documents of Contractor;
- b. Violate any statute or law or ordinance or any judgment, decree, order, regulation or rule of any court or governmental authority applicable to Contractor; or
- c. Violate, or be in conflict with, or constitute a default under, or permit the termination of, or require the consent of any person under, any agreement to which Contractor may be bound, the violation of which in the aggregate would have a material adverse effect on the properties, business, prospects, earnings, assets, liabilities or condition (financial or otherwise) of Contractor.

27. Power and Authority

Contractor represents and warrants that it has the power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution of this Agreement has been duly authorized by Contractor and no other proceeding on the part of Contractor is necessary to authorize this Agreement. Contractor has completed, obtained and performed all registrations, filings, approvals, authorizations, consents or examinations required by any government or governmental authority for its acts contemplated by this Agreement.

28. Signature Authorization

The person signing this Agreement warrants that he/she is an agent of Contractor and is duly authorized to enter into this Agreement on behalf of Contractor.

29. Entire Agreement; Order of Precedence

- a. This Agreement, including documents that have been incorporated in this Agreement by reference, contains all representations and the entire understanding between the parties hereto with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements are replaced in total by this Agreement.
- b. In the event there are any inconsistencies or ambiguities among the terms of this Agreement and incorporated documents, the following order of precedence shall be used: (i) applicable laws; (ii) the terms and conditions of this Agreement, including attachments; (iii) the Request for Proposal ("RFP"); (iv) Contractor's response to the RFP; and (v) any other provisions, terms, or materials incorporated herein.

30. Termination at Option of CHFFA

In addition to the provisions of Paragraph 7 of Exhibit C (General Terms and Conditions), this Agreement may be terminated in whole or in part at any time with sixty (60) calendar days written notice by CHFFA, for any reason. Upon receipt of a termination notice, Contractor shall promptly discontinue all services affected unless the notice specifies otherwise. In the event CHFFA terminates all or a portion of this Agreement for any reason, it is understood that CHFFA will provide payment to Contractor for satisfactory services rendered prior to the termination, but not in excess of the maximum amount of this Agreement.

31. Termination for Insolvency

Contractor shall notify CHFFA immediately in writing in the event that Contractor files any federal bankruptcy action or state receivership action, any federal bankruptcy or state receivership action is commenced against Contractor, Contractor is adjudged bankrupt, or a receiver is appointed and qualifies. In the event of any of the

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foregoing events, or if CHFFA determines, based on reliable information, that there is a substantial probability that Contractor will be financially unable to continue performance under this Agreement, CHFFA may terminate this Agreement and all further rights and obligations immediately **by giving five (5) days notice in writing in the manner specified herein.**

32. Convenience

If after notice of termination for failure to fulfill contract obligations, it is determined that Contractor had not so failed, the termination shall be deemed to have been effected for the convenience of CHFFA.

33. Completion

In the event of termination for default, CHFFA reserves the right to take over and complete the work by contract or other means. In such case, Contractor will be liable to CHFFA for any additional cost incurred by CHFFA to complete the work whether reimbursed or not.

34. Effect of Termination

All duties and obligations of CHFFA and Contractor shall cease upon termination of this Agreement, except that:

- a. Each party shall remain liable for any rights, obligations, or liabilities arising from activities carried on by it under this Agreement prior to the effective date of termination; and
- b. Contractor shall provide for the return of all records of CHFFA to CHFFA or its designee and shall cooperate fully to affect an orderly transfer of services.

35. Termination for Expatriation

Contractor shall notify CHFFA immediately in writing in the event that Contractor or its parent files any notice with the Securities and Exchange Commission that Contractor intends to reincorporate offshore. In the event of such notice, CHFFA may terminate this Agreement and all further rights and obligations immediately by giving five (5) days notice in writing in the manner specified herein.

36. Compliance With Political Reform Act

[CONTRACTOR] acknowledges that CHFFA is subject to the provisions of the Political Reform Act (Government Code section 81000 et seq., and all regulations adopted thereunder, including, but not limited to, California Code of Regulations, title 2, section 18700 et. seq.) and [CONTRACTOR] shall comply promptly with any requirement thereunder. If required by law, [CONTRACTOR] shall require its personnel, including without limitation, its Key Personnel all later substitutions therefore, to file Statements of Economic Interests in compliance with the Conflict of Interest Code for the Office of the State Treasurer and the various boards, authorities, commissions, and committees chaired by the State Treasurer, including CHFFA (California Code of Regulations, title 2, section 1897). All such reports shall be filed simultaneously with CHFFA.

37. Compliance With Darfur Contracting Act of 2008

Effective January 1, 2009, all Invitations for Bids (IFB) or Requests for Proposals (RFP) for goods or services must address the requirements of the Darfur Contracting Act of 2008 (Act). (Public Contract Code section 10475 et seq. The Act was passed by the California Legislature and signed into law by the Governor to preclude State agencies generally from contracting with "scrutinized" companies that do business in the African nation of Sudan (of which the Darfur region is a part), for the reasons described in Public Contract Code section 10475.

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A scrutinized company is a company doing business in Sudan as defined in Public Contract Code section 10476. Scrutinized companies are ineligible to, and cannot, bid on or submit a proposal for a contract with a State agency for goods or services. (Public Contract Code section 10477(a))

Therefore, Public Contract Code section 10478 (a) requires a company that currently has (or within the previous three years has had) business activities or other operations outside of the United States to certify that it is not a "scrutinized" company when it submits a bid or proposal to a State agency.

A scrutinized company may still, however, submit a bid or proposal for a contract with a State agency for goods or services if the company first obtains permission from the Department of General Services (DGS) according to the criteria set forth in Public Contract Code section 10477(b).

Contractor agrees that as contractor of CHFFA, it will meet the requirements of CHFFA policies that embrace section 10475 et seq.; of the Public Contract Code.

38. Conflict of Interest: No Profit

- a. Contractor certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit which either directly or indirectly arises from this Agreement.
- b. Contractor shall establish safeguards to prohibit its employees or its officers from using their positions for a purpose which could result in private gain or which gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

PROGRAM DESCRIPTION

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (CHFFA)

Established in 1979 pursuant to statute, the California Health Facilities Financing Authority (the “Authority”) is a public instrumentality of the State of California and is authorized and empowered by the provisions of the California Health Facilities Financing Authority Act (the “Act”) to issue revenue bonds to finance the construction, expansion, remodeling, renovation, furnishing, equipping, and acquisition of health facilities provided by or operated by participating health institutions (including by reimbursing expenditures made or refinancing indebtedness incurred for such purposes). The Authority also provides low interest direct loans to certain small or rural health facilities and it administers the Children’s Hospital Bond Acts of 2004 and 2008.

Health facilities eligible for funding include acute care hospitals, skilled nursing facilities, community clinics, adult day health facilities, and intermediate care facilities, among others. To be eligible for financing, an applicant must be a city, city and county, county, district hospital, or a private non-profit corporation or association, authorized by the laws of California to operate a health facility and to undertake the financing or refinancing of a project.

Financings are usually brought to the Authority by an investment banking (underwriting) firm that serves as senior manager for the financing. Staff works together with the financing team to prepare the application for presentation to the Authority board members. The Authority board meets monthly if there are applications or action items on the Authority’s monthly agenda. The Authority consists of nine members, including the State Treasurer who serves as Chairman, the State Controller, the Director of Finance, two members appointed by the Senate Rules Committee, two members appointed by the Speaker of the Assembly, and two members appointed by the Governor subject to confirmation by a majority vote of the Senate.

The Authority has several financing programs available: Standard Bond Financing, Pooled Bond Financing, and Tax-Exempt Equipment Financing Programs. Since the Authority’s establishment in 1979, the Authority has issued over \$25.8 billion in bonds and currently has outstanding bonds totaling over \$10.14 billion. During fiscal year 2010/11, CHFFA issued over \$889 million in tax-exempt bond financings.